FILE COPY

IN THE

Supreme Court of the United States

OCTOBER TERM, 1960.

No.

THE GRIFFITH LABORATORIES, INC.,
Petitioner,

vs.

HONORABLE JUDGE JULIUS H. MINER, UNITED STATES DISTRICT COURT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION,
Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

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THE BUNTHORP-WARREN PRINTING COMPANY, CHICAGO

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Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

Petitioner prays that a writ of certiorari issue to review the order of March 15, 1960 of the United States District Court for the Northern District of Illinois, Eastern Division, and the orders of the United States Court of Appeals for the Seventh Circuit entered in the above case on June 27, 1960 and August 1, 1960.

OPINIONS BELOW.

The District Court gave no opinion. However, its order of March 15, 1960 (pertaining to Petition for Writ of Mandamus No. 12983), appears herewith at App. 11.

The Court of Appeals for the Seventh Circuit also gave no opinion. Its orders of April 12, 1960, June 27, 1960 and August 1, 1960 are printed herewith at App. 12, 14, 16.

JURISDICTION.

The Illinois District Court made and entered an order on March 15, 1960, in Civil Action 60 C 62, in which it denied petitioner's motion to dismiss or stay the declaratory judgment action.

The Court of Appeals for the Seventh Circuit made and entered an order on April 12, 1960, in Petition for Writ of Mandamus No. 12983, in which it entertained petitioner's application for writ of mandamus concerning petitioner's motion to stay with respect to Reissue Patent 24,764 and ordered a rule to show cause why the District Court's order of March 15, 1960 should not be vacated and set aside with respect thereto (App. 12). In an order made and entered on June 27, 1960 (App. 14), the Court of Appeals discharged its prior rule to show cause and held that the petition for writ of mandamus should be denied. Petitioner then filed a petition before the Court of Appeals on July 6, 1960 requesting that its order of June 27, 1960 be vacated and asking for a hearing. The Court of Appeals made and entered an order on August 1, 1960 (App. 16) denying the petition of July 6, 1960.

The jurisdiction of this Court is invoked under 28 U. S. C. 1254(1).

QUESTION PRESENTED.

Should the declaratory judgment action brought by The Allbright-Nell Company against petitioner and Mr. Carl Schnell in the U. S. District Court for the Northern District of Illinois, Eastern Division, be stayed with respect to Reissue Patent 24,764, in view of the following existing conditions:

(1) The only issue as to which mandamus is sought will be made *res judicata* by the decision of the Indiana Court;

(2) The issue of validity or infringement of the reissue patent involved cannot be conclusively determined by the Illinois Court; a decision in favor of petitioner in Illinois would not bind Peter Eckrich & Sons, Inc., in Indiana;

(3) All of the devices involved in the Indiana cases and the Illinois action are the same and they have all been made by or with the direction of The Allbright-Nell Company;

(4) Two of the Indiana cases were filed first; the declaratory action in Illinois on the reissue patent was filed only after petitioner had sought a stipulation to add it to the Indiana actions; and

(5) The Indiana actions cannot be transferred to Illinois in view of the decision of this court in *Blaski* v. *Hoffman*, 4 L. Ed. 2d 1254, and the Indiana Court so ruled.

STATEMENT OF THE CASE.

The Illinois Declaratory Judgment Action.

On January 14, 1960, The Allbright-Nell Company filed a declaratory judgment against petitioner, The Griffith Laboratories, Inc., and a German citizen and resident, Carl Schnell, in the United States District Court for the Northern District of Illinois, Eastern Division, Civil Action 60 C 62. Federal jurisdiction is based on 28 U. S. C. 1338(a), 2201.

The complaint alleged, among other things, that Schnell and petitioner, Griffith, had threatened plaintiff, Allbright-Nell, with infringements of U. S. Reissue Patent 24,764 and asked that it be held invalid and not infringed by plaintiff.

On February 3, 1960, petitioner moved to dismiss or stay the complaint on the grounds that the Indiana cases took precedence.

On March 15, 1960, Judge Julius H. Miner ruled that petitioner's motion should be denied (App. 11). Petitioner then filed an application for a petition for writ of mandamus (Petition for Writ of Mandamus No. 12983) on March 25, 1960, requesting that the Court of Appeals for the Seventh Circuit direct Judge Miner to vacate and set aside his order of March 15, 1960 and order the cause to be dismissed or stayed.

On April 12, 1960, the Court of Appeals entered a Rule to Show Cause (App. 12). Briefs were filed, but contrary to usual practice, no hearing was held and the Court of Appeals made and entered an order of June 27, 1960 (App. 14) in which it stated: "that the rule to show cause heretofore issued on April 12, 1960 be and the same is hereby ordered discharged." No opinion was filed.

In view of the order of June 27, 1960 of the Court of Appeals, petitioner filed with that Court on July 6, 1960 a petition (a) to vacate the order of June 27, 1960 which denied, without oral hearing, the petition for writ of mandamus and vacated the rule to show cause, and (b) to set a hearing. On August 1, 1960 the Court of Appeals denied the petition of July 6, 1960 (App. 16).

The petitioner herein requests that this Court issue a writ of certiorari to review the order of March 15, 1960 of the Illinois District Court and the orders of the United States Court of Appeals for the Seventh Circuit of June 27, 1960 and August 1, 1960 in the Petition for Writ of Mandamus, No. 12983, and find that the District Court abused its discretion in refusing to stay and that the Court of Appeals erred in dismissing its rule to show cause, and in denying the petition for writ of mandamus with respect to Reissue Patent 24,764.

The Indiana Litigation.

Petitioner has brought *four* actions in the District Court for the Northern District of Indiana, Fort Wayne Division, which have been identified in that court as C. A. 1128, 1184, 1211 and 1229. Federal jurisdiction is based on 28 U. S. C. 1338(a).

All of the patents relate to a revolutionary sausage-making machine. Defendant makes an allegedly infringing sausage machine which it calls an "Emulsitator." That machine is the same one that is involved in the Illinois declaratory judgment action.

The first two Indiana suits, C. A. 1128 and 1184, were already pending in Indiana at the time the Illinois declaratory action was brought by The Allbright-Nell Company. These two Indiana suits involve a customer of plaintiff, Peter Eckrich & Sons, Inc., and named Allbright-Nell and Eckrich as defendants.

The first case filed, C. A. 1128, involves Patents 2,840,318 and 2,842,177, and was originally brought on February 13, 1959, only against the Eckrich concern, but The Allbright-Nell Company was joined by an amended complaint on April 30, 1959.

Patent 2,842,177, which is included in this first filed suit, is the original patent upon which Reissue Patent 24,764 was later granted by the Patent Office.

The second suit, C. A. 1184, was based on Patent 2,840,318, and was filed on September 30, 1959. Both Allbright-Nell and Eckrich were named as defendants in the complaint.

It has been acknowledged by Allbright-Nell and Eckrich that Allbright-Nell has taken open control of the defense of the Indiana litigation.

Petitioner has asserted in these actions that Allbright-

Nell entered a general appearance in each of the consolidated cases (Appeals 12901 and 12902) by openly defending on behalf of Eckrich (and in its own interest) and controlling the defense, *after* it had been named as a party in each of the suits. The District Court found otherwise and dismissed Allbright-Nell Company but granted an interlocutory appeal.

On June 20, 1960, the Court of Appeals affirmed the District Court's rulings, with Judge Platt dissenting. On July 7, 1960, plaintiffs in the Indiana litigation filed a petition for writ of certiorari in consolidated Appeals 12901 and 12902. The petition for writ of certiorari has been assigned No. 219, October Term, 1960, by this Court, and the matter (Schnell, et al. *vs.* Peter Eckrich & Sons, Inc., et al.) is presently pending.

Petitioner suggests that the present petition for writ of certiorari be considered against the background of No. 219.

Shortly *before* Reissue Patent 24,764 was issued by the Patent Office, counsel for Griffith and Schnell gave counsel for Allbright-Nell a proposed "Amended and Supplemental Complaint" in C. A. 1128 that added the reissue patent to that suit, and requested that it be stipulated. The Allbright-Nell Company promptly brought its declaratory judgment action in Illinois, and refused to enter into a stipulation.

Rather than suffer the lapse of time which would have ensued upon the presentation of a motion to file an amended-supplemental complaint, Griffith and Schnell brought suit on February 8, 1960, C. A. 1211, on Reissue Patent 24,764 in Indiana against Eckrich and Allbright-Nell.

Following the filing of the petition for writ of mandamus in the Court of Appeals for the Seventh Circuit,

on or about April 26, 1960, petitioner, with Schnell, filed a fourth suit in Indiana for patent infringement against Eckrich and Allbright-Nell. This fourth action was based upon Eckrich's and Allbright-Nell's infringements of Schnell's Patents 2,934,120 and 2,934,121, both of which were granted by the Patent Office on April 26, 1960.

On August 15, 1960, the Indiana Court ordered that Eckrich's motions to transfer the Indiana cases to Illinois be denied as being improper.

REASONS FOR GRANTING THE WRIT.

1. The District Court Judge abused his discretion in refusing to stay the declaratory judgment action, contrary to the decision of this Court in *Kerotest Mfg. Co.* v. *C-O-Two F. E. Co.*, 342 U. S. 180, 96 L. Ed. 200.

2. The fact that only the original patent, not the reissue patent, was in suit in Indiana when the declaratory judgment action was started in Illinois does not change the law. Not only had The Allbright-Nell Company been requested to stipulate for the addition of the reissue patent to the Indiana case, but when it filed a declaratory judgment action involved here and then refused to stipulate for the addition of the reissue patent in Indiana, suit on the reissue patent was promptly filed in Indiana and its date relates back to the first filed Indiana suit involving the original patent. *Weyerhaeuser Timber Company* v. *Bostitch, Inc.*, 178 F. Supp. 757 (D. C. D. R. I. 1959). Obviously, the declaratory judgment was begun in bad faith because action on the patent was being suggested, not withheld.

3. The present situation leaves two cases in an unseemly and improper race for trial. The Indiana cases, if decided first, will be *res judicata* of the issues in the Illinois case. If the Illinois case is finally adjudicated first, it will be *res judicata* only on a small portion of the

issues in the Indiana cases and only as to one of the two defendants (if the patent is sustained).

4. In view of *Crane Packing Company* v. *Spitfire Tool & Mach. Co.*, 276 F. 2d 271 (C. A. 7), upon which this Court has refused certiorari, petitioner has advised that it will rely only upon the three remaining claims of the original patent and, therefore, there is no additional subject matter to be adjudicated beyond that involved in the old Indiana Civil Action No. 1128.

5. The devices involved in the Indiana cases and the Illinois declaratory judgment action are identical, and Allbright-Nell manufactures them. The entire controversy can readily be handled in Indiana. It cannot be handled in Illinois. Under these circumstances the language of this Court in *Kerotest Mfg. Co.* v. *C-O-Two F. E. Co.*, 342 U. S. 180, 96 L. Ed. 200, is appropriate, wherein this court reiterated the Third Circuit's holding at page 183:

> "'• • • the whole of the war and all the parties to it are in the Chicago theatre and there only can it be fought to a finish as the litigations are now cast. On the other hand if the battle is waged in the Delaware arena there is a strong probability that the Chicago suit nonetheless would have to be proceeded with for Acme is not and cannot be made a party to the Delaware litigation. The Chicago suit when adjudicated will bind all the parties in both cases. Why should there be two litigations where one will suffice? We can find no adequate reason. We assume, of course, that there will be prompt action in the Chicago theatre.' 88 USPQ 335, 337."

CONCLUSION.

The Indiana cases include all of the parties. The Illinois case does not. The Indiana cases were filed first. The Indiana cases will be *res judicata* as to everyone while the Illinois will not necessarily be *res judicata* as to everyone.

In addition, the pendency of two suits on the same subject matter at the same time places the Federal District Courts in an unenviable position. Plaintiffs can win in Indiana and if defendants there appeal, the Illinois case may still go forward so that two suits on the same subject matter involving the same party, The Allbright-Nell Company, will be on their way to the Court of Appeals for the Seventh Circuit.

Respectfully submitted,

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NORMAN M. SHAPIRO,
Attorneys for Petitioner.

Of Counsel:
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Chicago 3, Illinois.

APPENDIX.

ORDER OF ILLINOIS DISTRICT COURT OF MARCH 15, 1960.

UNITED STATES DISTRICT COURT
Office of the Clerk
United States Court House
Chicago 4

Date: March 15, 1960

Re:
The Allbright-Nell Co.
vs.
The Griffith Laboratories, Inc., et al.
Case No. 60 C 62.

You are hereby notified that Judge Miner entered the following order on March 15, 1960:

Hearing on motion of defendant The Griffith Laboratories, Inc. to dismiss or stay above cause: Motion of said defendant to strike or stay notice of deposition. Motion of defendant, Carl Schnell to quash service of summons. Order motion of defendant Carl Schnell to quash service of summons is denied. Motion of defendant The Griffith Laboratories, Inc. to dismiss or stay above cause is denied.

Roy H. Johnson,
Clerk.

ORDER OF COURT OF APPEALS OF APRIL 12, 1960.

UNITED STATES COURT OF APPEALS

For the Seventh Circuit

Chicago 10, Illinois

Tuesday, April 12, 1960

Before

Hon. John S. Hastings, Chief Judge.
Hon. F. Ryan Duffy, Circuit Judge.
Hon. Latham Castle, Circuit Judge.

The Griffith Laboratories, Inc., *Petitioner,* vs. Honorable Judge Julius H. Miner, U. S. District Court Judge for the Northern District of Illinois, Eastern Division, *Respondent.*	Petition for Writ of Mandamus.

No. 12983

On consideration of the petition of The Griffith Laboratories, Inc., for a writ of mandamus to be directed to the Honorable Julius H. Miner, Judge of the United States District Court for the Northern District of Illinois, respondent, and for an order requiring him to show cause why he should not vacate and set aside an order entered by him on March 15, 1960, in Civil Action No. 60-C-62, entitled The Allbright-Nell Company *vs.* The Griffith Laboratories, Inc., and Carl Schnell, denying petitioner's motion to dismiss the complaint in such action or, in the alternative, to stay such action until the final determination of two civil actions now pending in the United States District Court for the Northern District of Indiana, Fort Wayne Division, being Civil Actions Nos. 1128 and 1184 in such court; and,

It appearing to the Court that petitioner's motion to dismiss the complaint in Civil Action No. 60-C-62 was based on jurisdictional grounds relating to defendant Schnell and that there is no controversy as to Reissue Patent No. 24683, and that the District Court refused to grant an interlocutory appeal under 28 U. S. C. A. § 1292 from its denial of such motion to dismiss;

It Is Ordered, that the petition for writ of mandamus as it relates to petitioner's motion to dismiss be and the same is hereby denied; and,

It further appearing to the Court that Civil Action No. 60-C-62 involves the questions of validity and infringement of Reissue Patents Nos. 24,683 and 24,764, and that the actions now pending in Civil Actions Nos. 1128 and 1184 in the Northern District of Indiana concern the question of infringement of Reissue Patent No. 24,764 and that such Indiana actions were filed prior to Civil Action No. 60-C-62;

It Is Ordered, that the petition for writ of mandamus as it relates to petitioner's motion for stay of proceedings concerning Reissue Patent No. 24,683 be and the same is hereby denied; and,

It Is Further Ordered, that respondent, Honorable Julius H. Miner, Judge of the United States District Court for the Northern District of Illinois, in Civil Action No. 60-C-62, shall on or before May 14, 1960, show cause why his order entered March 15, 1960, should not be vacated and set aside solely and limited to the issues relating to Reissue Patent No. 24,764, and why such action should not be stayed as to the issues relating only to Reissue Patent No. 24,764; and,

It Is Further Ordered, that petitioner forthwith serve on respondent a true copy of its petition for writ of mandamus and brief in support thereof.

ORDER OF COURT OF APPEALS OF JUNE 27, 1960.

UNITED STATES COURT OF APPEALS

For the Seventh Circuit

Chicago 10, Illinois

Monday, June 27, 1960

Before

Hon. John S. Hastings, Chief Judge.
Hon. F. Ryan Duffy, Circuit Judge.
Hon. Latham Castle, Circuit Judge.

The Griffith Laboratories, Inc., *Petitioner*, vs. Honorable Judge Julius H. Miner, U. S. District Court Judge for the Northern District of Illinois, Eastern Division, *Respondent*.	Petition for Writ of Mandamus.

No. 12983

It appearing to the court that heretofore on April 12, 1960, this court entered an order denying in part the petition of The Griffith Laboratories, Inc. for a writ of mandamus to be directed to the Honorable Julius H. Miner, Judge of the United States District Court for the Northern District of Illinois, Respondent, and further ordered that the respondent show cause why his order entered March 15, 1960, in Civil Action 60-C-62, should not be vacated and set aside solely and limited to the issues relating to Reissue Patent No. 24,764, and why such action should not be stayed as to the issues relating only to Reissue Patent No. 24,764; and

Upon consideration of respondent's answer thereto together with his brief thereon, and petitioner's reply thereto;

It Is Ordered by the court that the petition of The Griffith Laboratories, Inc. for a writ of mandamus be and the same is hereby denied; and,

It Is Further Ordered by the court that the rule to show cause heretofore issued on April 12, 1960 be and the same is hereby ordered discharged.

ORDER OF COURT OF APPEALS OF AUGUST 1, 1960.

UNITED STATES COURT OF APPEALS

For the Seventh Circuit

Chicago 10, Illinois

Monday, August 1, 1960

Before

Hon. John S. Hastings, Chief Judge.
Hon. F. Ryan Duffy, Circuit Judge.
Hon. Latham Castle, Circuit Judge.

The Griffith Laboratories, Inc., *Petitioner,* vs. Honorable Judge Julius H. Miner, etc., *Respondent.*	Petition for Writ of Mandamus.
No. 12983	

This matter comes before the Court on the petition of counsel for petitioner requesting (a) the Court to vacate the order of June 27, 1960, which denied petition for writ of mandamus and vacated the Rule to Show Cause that heretofore issued on April 12, 1960, and (b) that petitioner be granted a hearing, preferably an oral one, at some future date concerning these matters.

On consideration whereof, IT IS HEREBY ORDERED that the said petition of counsel for petitioner filed herein on July 6, 1960, be, and the same is hereby, DENIED.



FILE COPY

FILED
OCT 3 1960
JAMES R. BROWNING, Clerk

IN THE

Supreme Court of the United States

OCTOBER TERM, 1960.

No. 389

THE GRIFFITH LABORATORIES, INC.
Petitioner,

v.

HONORABLE JUDGE JULIUS H. MINER, United States District Court Judge for the Northern District of Illinois, Eastern Division,
Respondent.

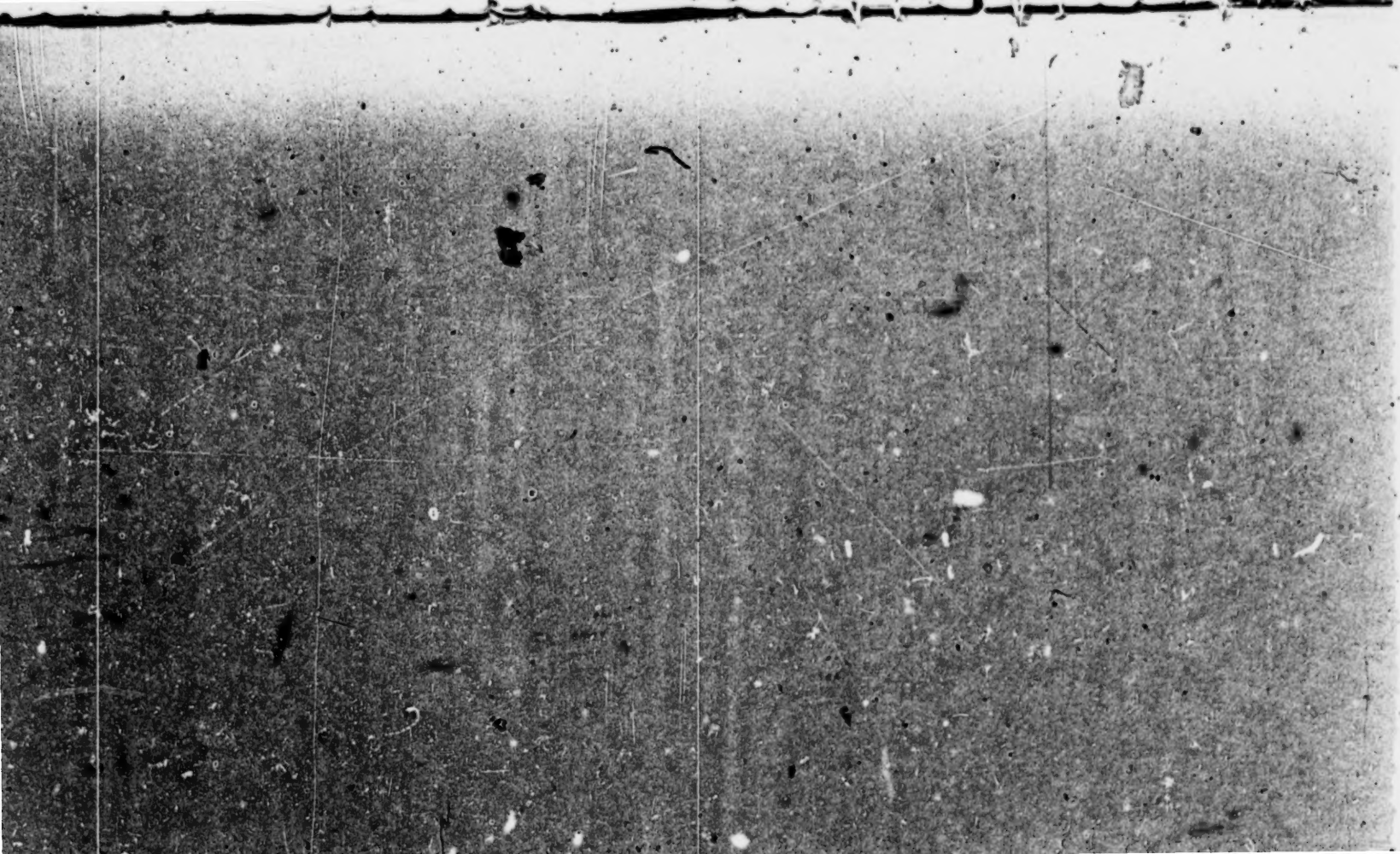
RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

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Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

OPINIONS BELOW

The Petition (page 1) correctly identifies the orders of the Courts below.

JURISDICTION

This case may be reviewed by this Court under 28 U.S.C. 1254(1).

QUESTION PRESENTED

Was Respondent's denial of Petitioner's motion to stay Civil Action No. 60-C-62 as to Reissue Patent No. Re. 24,764 under all the circumstances of this case, an abuse of discretion which the Court of Appeals should have corrected by issuing a Writ of Mandamus?

This phrasing of the issue presented eliminates the argumentative and unnecessary detail which Petitioner seeks to incorporate in it. The question presented by Petitioner also fails to mention that the Petition seeks a review of orders which are discretionary with the District Court as well as with the Court of Appeals.

STATEMENT OF THE CASE

Petitioner's statement of the case does not contain any significant factual errors. However, it omits many pertinent facts and is not arranged in chronological order or to provide a facile understanding of the case. Respondent, therefore, deems it desirable to present an independent statement of the facts material to the consideration of the question presented.

The instant Petition arises out of a patent dispute in which The Griffith Laboratories, Inc. and The Allbright-Nell Company are the principal contestants: The Griffith Laboratories, Inc. owns a one-half interest in at least seven patents and patent applications covering purported inventions in comminuting machines allegedly made by Carl Schnell of Germany. The Griffith Laboratories, Inc. also is the exclusive United States distributor of the "Mincemaster" machines manufactured in Germany by Schnell and disclosed in the jointly owned patents. By virtue of a letter agreement of December 1, 1958 (Exhibit 1 attached to the Complaint in Civil Action No. 60-C-62) Griffith is entitled to institute at its expense suits for infringement of the patents owned jointly by it and Schnell and to retain all recovery resulting from such suits. The Griffith Laboratories, Inc. is an Illinois corporation and has its principal place of business in Chicago, Illinois.

The Allbright-Nell Company is also an Illinois corporation having its principal place of business in Chicago, Illinois. Early in 1957, Allbright-Nell began to develop a high speed, high volume meat comminuting machine. This development program has been successful and has resulted in the manufacture and sale of substantial numbers of so-called "Emulsitator" machines which compete with Schnell's "Mincemaster" machines. Griffith, as early as March, 1957, threatened Allbright-Nell with patent suits (letter forming the last page of Exhibit 1 attached to the Complaint in Civil Action No. 60-C-62), even though the Patent Office at that time had not issued a single patent to Schnell and Griffith.

After patents began to issue to Griffith and Schnell beginning in May, 1958, Griffith instituted a plurality of infringement suits against Peter Eckrich and Sons, Inc., one of the purchasers of Allbright-Nell's Emulsitator machine. These suits were filed in the United States District Court at Fort Wayne, Indiana and The Allbright-Nell Company was named as a co-defendant. The first of these complaints for infringement (Civil Action No. 1128) was filed on February 13, 1959 and amended on April 30, 1959. Three additional infringement actions against Peter Eckrich and Sons, Inc. and Allbright-Nell were commenced in Fort Wayne, Indiana on September 30, 1959 (Civil Action No. 1184), February 8, 1960 (Civil Action No. 1211), and April 26, 1960 (Civil Action No. 1229). In all of these actions The Allbright-Nell Company, under a patent indemnity agreement, has assumed the defense of Peter Eckrich and Sons, Inc. without entering an appearance on its own behalf. In Civil Actions Nos. 1128 and 1184 The Allbright-Nell Company objected to venue and service of summons in Indiana and has been dismissed as a defendant. Schnell and Griffith have previously petitioned this

Court for a Writ of Certiorari (No. 219) to obtain review of the Court of Appeals' affirmance of such dismissal.

The earliest Indiana action (Civil Action No. 1128) includes an allegation of infringement of Patent No. 2,842,177. This patent is directed toward the specific location and size of certain lugs on an inside wall of the comminuting chamber of the disclosed meat grinding machine. After having conducted some pretrial discovery in this action the patent owners applied for the reissue of this "lug" patent which was granted on January 12, 1960 as Patent No. Re. 24,764. In the reissue patent one of the original claims was eliminated and thirteen new claims were added. The lug reissue patent and Patent No. Re. 24,683 are the subject matter of the declaratory judgment suit (Civil Action No. 60-C-62) out of which the instant Petition arises.

Civil Action No. 60-C-62 was instituted by The Allbright-Nell Company on January 14, 1960 in the Northern District of Illinois. At that time the two reissue patents were not in litigation either in Indiana or elsewhere. With respect to Patent No. Re. 24,764 the patent owners had announced their intention to put it in issue in Indiana. With respect to Patent No. Re. 24,683 the situation was somewhat different. This is a method patent which claims the operation of the apparatus disclosed in the patents in suit in Indiana. Although this patent was granted on August 18, 1959, Griffith and Schnell had shown no inclination to have it disposed of together with their other patents. Apparently the patent owners were endeavoring to keep this method patent in reserve and to seek to enforce it only if their other patents were held invalid or not infringed.

In order to eliminate this threat to its business and the business of all of its "Emulsitator" customers, The All-

bright-Nell Company decided to seek a judicial determination of the questions of validity and infringement of the method reissue patent. The complaint praying for a declaratory judgment of invalidity and infringement was filed in the Northern District of Illinois, Eastern Division where the corporate parties have their principal places of business, where their respective principal counsel are located and where the trial can be held most conveniently, economically and expeditiously. The lug reissue patent was included in this complaint because the "Emulsitator" machine, is accused of infringing both patents.

On February 3, 1960, the patent owners objected on numerous grounds to jurisdiction and venue of the Federal District Court in Chicago (Civil Action No. 60-C-62) and alternatively asked for a stay of the action with respect to Patent No. Re. 24,764. In suport of the motion pertaining to Patent No. Re. 24,764 The Griffith Laboratories falsely asserted that "an action involving the same subject matter and the same parties" was already pending in the Northern District of Indiana. Actually, The Allbright-Nell Company had already been dismissed from Civil Actions Nos. 1128 and 1184 pending in the Northern District of Indiana by orders of January 8 and 22, 1960. Moreover, Patent No. Re. 24,764 had not previously been put in issue anywhere.

In view of these facts Respondent denied Schnell's and Griffith's motions and the Court of Appeals denied Griffith's petition for a writ of mandamus. Since the instant Petition does not seek a review of the Lower Court's orders with respect to Patent No. Re. 24,683, the trial of at least that part of the declaratory judgment action in Chicago can no longer be avoided or delayed by the patent owners.

Patent No. Re. 24,764 was put in suit in Indiana on Febru-

ary 8, 1960, when the patent owners filed Civil Action No. 1211. This was almost a month after it was put in suit in Illinois in Civil Action No. 60-C-62. In the Indiana action Peter Eckrich and Sons, Inc. and The Allbright-Nell Company were named as defendants. Only the first named defendant has entered its appearance. While Allbright-Nell has not yet been formally dismissed from Civil Action No. 1211, it is believed that such dismissal is in order if this Court denies the patent owner's Petition for a Writ of Certiorari (No. 219) filed on July 7, 1960.

In view of the facts outlined above, it is quite clear that the instant Petition raises only the question of whether this Court should interfere with the exercise of discretion by the District Court and the Court of Appeals to determine whether the issues relating to Patent No. Re. 24,764 should first be litigated in conjunction with the infringement suits in Indiana or in the declaratory judgment suit in Illinois.

It should also be observed that the Illinois and Indiana litigations have not yet been ultimately fixed as to parties and issues. In none of the cases has a definite trial date been set, nor has any pretrial conference taken place.

ARGUMENT

The Rulings Below Are in Complete Harmony With Kerotest Mfg. Co. v. C-O-Two Fire Equipment Co.

There is no reason for granting the writ. Indeed, the Petition does not even refer to Rule 19 of the Supreme Court Rules or attempt to articulate "special and important reasons" why this Court should control the trial calendars of the District Courts concerned.

Petitioner's reliance on *Kerotest Mfg. Co.* v. *C-O-Two Fire Equipment Co.*, 342 U.S. 180, 72 S.Ct. 219 (1951) is unwarranted. That case stands for the proposition that trial judges have "an ample degree of discretion" (72 S.Ct. 221) in ruling on motions to stay. It further held that appellate review of such rulings is not governed by hard and fast rules but by judicial discretion (Footnote 3, 72 S.Ct. 222). Since *Kerotest* affirmed the ruling of the Court below, both the holding and the opinion in that case demonstrate that this Court is reluctant to substitute its discretion for that of the Lower Courts. This policy should be adhered to especially where the Lower Courts' decisions are in complete harmony.

The *Kerotest* opinion disposed *expressis verbis* of the question which Petitioner seeks to raise. In commenting on the general problem raised by multiple patent litigation the Court said (72 S.Ct. 222):

> "If the patentee's suit against a customer is brought in a district where the manufacturer cannot be joined as a defendant, the manufacturer may be permitted simultaneously to prosecute a declaratory action against the patentee elsewhere."

The patent owners have chosen to litigate some of their patents in a forum where the manufacturer cannot be

joined. Moreover, the manufacturer, Allbright-Nell, was forehanded in putting into litigation the two patents which form the subject matter of the declaratory judgment suit in Chicago. There is consequently every legal and equitable reason why that suit should proceed.

Petitioner relies on events occurring after March 15, 1960 to support its argument that the issues pertaining to Patent No. Re. 24,764 in Illinois are identical to those presented in Civil Action No. 1128 in Indiana with respect to Patent No. 2,842,177.

Petitioner's admission (Argument No. 4, page 8) that it will rely only upon those claims of Patent No. Re. 24,764 which were contained in the original patent has not been made by a disclaimer under 35 U.S.C. 253 or in a formal pleading in Civil Action No. 60-C-62 (Chicago) or Civil Action No. 1229 (Indiana). Moreover, even the informal admission of invalidity of the reissue claims contained in Griffith's arguments does not appear to have been made on behalf of Carl Schnell who owns an undivided one-half interest in the patents in suit. The binding nature of this admission is, therefore, not free from doubt. Furthermore, any such admission, whether made in a brief or in a more formal document did not occur until long after March 15, 1960, when Respondent entered the order of which review is now sought. Such admission, consequently cannot taint Respondent's ruling with legal error or abuse of discretion.

CONCLUSION

For the foregoing reasons it is respectfully submitted that the Petition is wholly without merit and should be denied.

Respectfully submitted,

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